



PRESS RELEASE

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Date: November 29, 2016

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IRS – Criminal Investigation

CI Release #: CI-2016-11-29-A

Kansas Tax Return Preparer Sentenced to Prison for Aggravated Identity Theft and Stealing Government Funds

A Stillwell, Kansas tax return preparer was sentenced to 48 months in prison today for stealing his clients' identities and federal income tax refunds falsely claimed in their names, announced Principal Deputy Assistant Attorney General Caroline D. Ciraolo, head of the Justice Department's Tax Division, and U.S. Attorney Thomas Beall for the District of Kansas.

According to documents filed with the court, Richard Drake used three of his clients' personal identities to file false federal income tax returns that claimed inflated refunds. As part of his scheme, Drake prepared accurate federal income tax returns for these clients, which he provided to them but did not file with the Internal Revenue Service (IRS). He then had these clients make estimated tax payments to the IRS during the year. Once it was time to file on behalf of his clients, Drake filed false tax returns with the IRS that underreported his clients' income and claimed false expenses in order to generate large income tax refunds which he directed to accounts under his control. In total, Drake stole and converted to his own use \$2,432,147.

Drake pleaded guilty on June 6 to one count of aggravated identity theft and one count of theft of government funds. As part of his plea agreement, Drake agreed to serve 48 months in prison, followed by three years of supervised release and to pay restitution in the amount of \$2,432,147 to the IRS, and \$98,087 to the Kansas Department of Revenue.

Principal Deputy Assistant Attorney General Ciraolo and U.S. Attorney Beall commended special agents of IRS-Criminal Investigation, who conducted the investigation, and Trial Attorney Ryan Raybould of the Tax Division and Assistant U.S. Attorney Tris Hunt, who prosecuted the case.

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